

REC'D TN
REGULATORY AUTHORITY
ON-SITE SYSTEMS, INC.
A PUBLIC UTILITY COMPANY
JUN 6 4 06 PM

OFFICE OF THE
EXECUTIVE SECRETARY

June 6, 2001

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

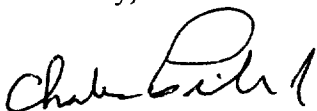
RE: Petition to amend Certificate of Convenience and Necessity

01-00492

Dear Mr. Waddell:

On-Site Systems Inc. desires to expand its service area to include an area known as the Browning Subdivision (approximately 4.28 acres of record in Deed Book 647, Page 639) in Knox County. The attached Petition is in support of our request.

Sincerely,



Charles Pickney, Jr., President
On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-7294 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2001

**IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY**

DOCKET No. _____

Petition of On-Site systems, Inc.
To amend its Certificate of Convenience and Necessity

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity to expand its service area to include a portion of Knox County known as the Browning Subdivision. The property is located at 5730 Raccoon Valley Road. (See Exhibit A) Neither the Knox County Government nor the Hallsdale-Powell Utility District has a desire to provide sewer service to this area. (See attached letters.) This development will consist of only residential customers. Application for permit with the State of Tennessee Department of Environment and Conservation was submitted on May 24, 2001 (Control Number 01024).

The proposed service area is comprised of approximately 4.28 acres.

Respectfully submitted,



Charles Pickney Jr., President
On-Site Systems, Inc.

**On-Site Systems, Inc.
Sewer Service Billing Summary**

Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision – Maury County	\$36.67
Southridge Subdivision – Montgomery County	\$19.38 + act cost
Swan Harbor – Roane County	\$35.11
River Road Utility District – Cheatham County	\$31.15
Milcrofton Utility District – Williamson County	\$37.21
Tall Oaks Subdivision – Blount County	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County	\$35.11
Shreibman Development – Cannon County	\$35.11
Cornerstone of Mitchell Creek – Overton County	\$35.11
Bolton Area – Shelby County	\$32.68
Harbor Pointe – Dekalb County	\$35.11
Hidden Springs Resort – Sevier County	\$35.11
Eagle Crest Development – Sevier County	\$35.11
Legacy Bay – Hawkins County	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20,
Access - \$84/yr.

**On-Site Systems, Inc.
Sewer Service Billing Summary**

Residential Sewer Rates

PROPOSED

System

Monthly Charge

Browning Subdivision

\$35.11



Hallsdale-Powell Utility District

P.O. BOX 5199 • KNOXVILLE, TENNESSEE 37928-0199 • PHONE 423-922-7547

JIM HILL, PRES.
WILLIAM R. POSTON, SEC.
JOE SMELSER, TREAS.

February 13, 2001

Mr. Michael Hines, M.S., P.E., Principal
Southeast Environmental Engineering, LLC
1920 Breezy Ridge Trail
Concord, TN 37917-6413

Dear Mr. Hines:

Thank you for your letter dated February 8, 2001 relative to public sewer service for 5730 Raccoon Valley Road. The Hallsdale Powell Utility District (HPUD) does not have any short or long range plans to provide public sewer service for the section of Raccoon Valley Road that you mentioned in your letter.

At the present time the density of population on Raccoon Valley Road will not provide the level of financial support needed to retire debt associated with a public sewer project to serve the above area. Additionally, HPUD is currently faced with severe environmental restrictions on the amount of treated wastewater that our Raccoon Valley-Diggs Gap Wastewater Treatment Plant can discharge into Bull Run Creek.

To serve the area of Raccoon Valley Road mentioned in your letter, HPUD would be required by the Tennessee Department of Environment and Conservation to connect a wastewater collection system and related force type sewer lines to our existing sewer system on Norris Freeway just north of Tindell's Building Supply. Such a multi-million dollar public sewer project would have to be paid for by subscribers in the area that you are concerned about.

As an Environmental Engineer, I'm confident that you are aware that public utility agencies are prohibited by law from using ratepayer funds to subsidize special projects that benefit a small segment of a utility district's customer base.

Member

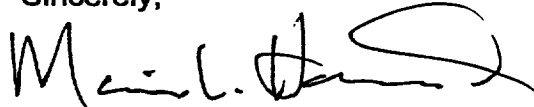


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Page 2
Mr. Michael Hines
Southeast Environmental
February 13, 2001

Please feel free to contact me if I can provide you with additional information concerning public sewer service.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvin L. Hammond". The signature is fluid and cursive, with a large, stylized "M" and "H".

MARVIN L. HAMMOND
General Manager

County Executive
Thomas Schumpert



Department of
Engineering & Public Works

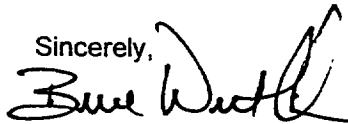
February 15, 2001

Southeast Environmental Engineering
1920 Breezy Ridge Trail
Concord, TN. 37922

Dear Mr. Hines:

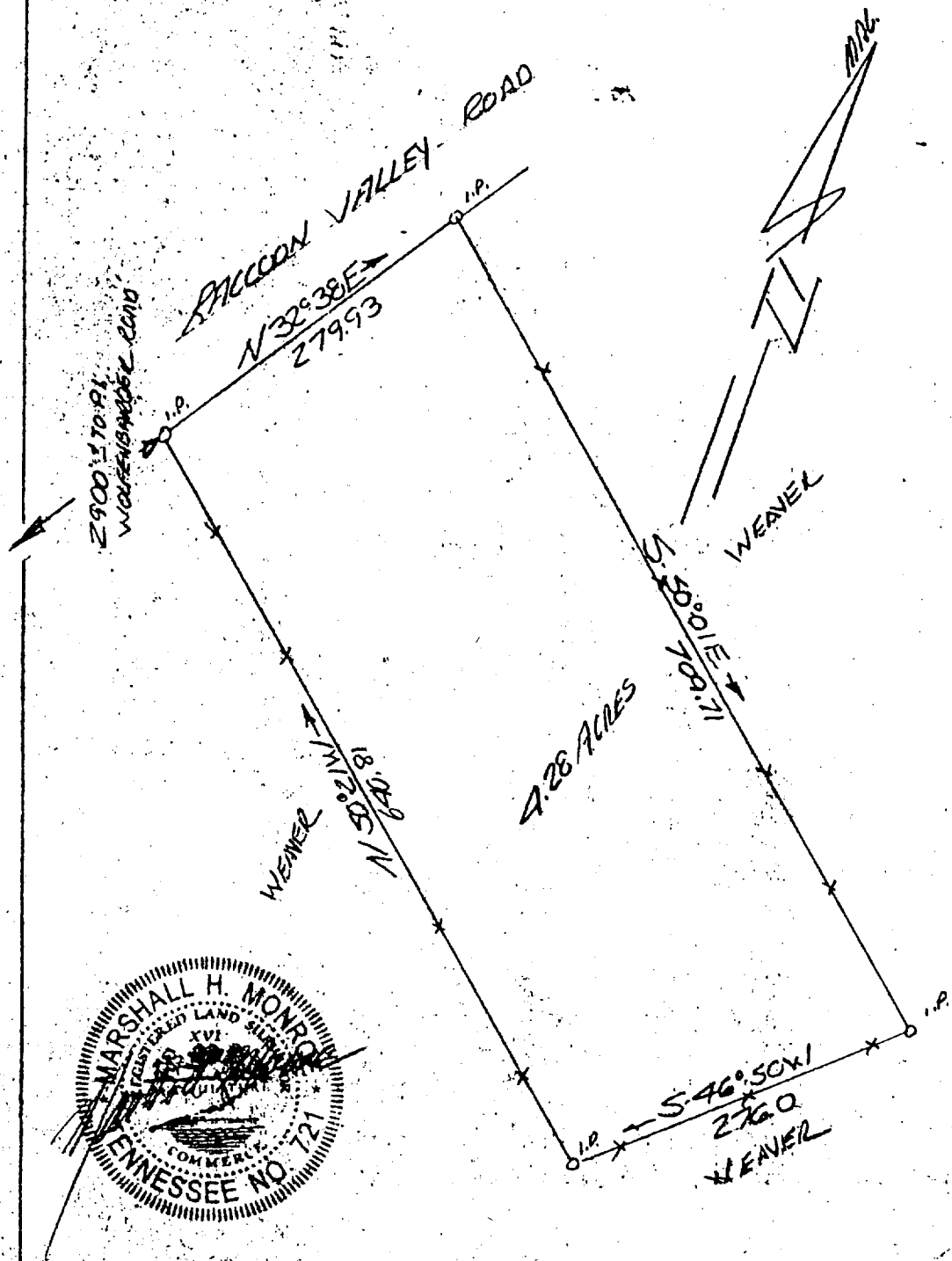
This letter is in response to request for sewer service at 5730 Raccoon Valley Road. Knox County does not provide sewer service. I would suggest that you forward your request to the Hallsdale Powell Utility District who is responsible for the aforementioned area. If you need additional information, please contact me @215-5828.

Sincerely,



Bruce Wuethrich, Director
Knox County Engineering & Public Works

EXHIBIT A



MAP OF RON & SHERRIE BROWNING
PROPERTY
DISTRICT 6 - KNOX COUNTY
PARCEL #18 - C.L.T. MAP # 2
FROM SURVEY NOTES OF OCT. 15, 1979
BY MARSHALL MONROE
SCALE 1" = 100'

W.D. BOOK - 647, PG. 639
TRUST DEED BOOK - 2546, PG. 0171

SEWER CONTRACT FOR SUBDIVISION

This AGREEMENT, made and entered into this _____ day of _____, 19____, by and between Onsite Systems Inc., a Tennessee Corporation, hereinafter referred to as "Utility" and _____, hereinafter referred to as "Developer".

WITNESSETH

For and in consideration of the construction costs hereinafter mentioned and the mutual promises of the parties hereinafter contained, particularly that the Utility will in the future be responsible for repair, maintenance and replacement of said sewers herein provided for, and to maintain the total system, and other good and valuable considerations, the receipt of all which is acknowledged, the parties hereto have entered into the following agreement:

The developer is to install said sewers, etc. in accordance with drawings, plans, and specification as shown on the plat of subdivision which is attached hereto, and the plans and specification as approved by the Utility's engineers, which said plans and specifications are attached hereto and made a part of this contract.

The developer is to perform all of the necessary work for the installation of said sewers, completely install the same at no cost whatsoever to the Utility, all in accordance with plans and specifications hereinabove referred to, and for that purpose has entered into a contract for completion of this work. In addition, the developer is to provide bonding for the sewer system construction that is acceptable to the local planning authority and the utility.

All construction begun, continued and completed hereunder shall be subject to the supervision and approval of the Utility's engineers and representatives who shall have a continuous right of inspection throughout the progress of the work. No pipe, fittings, or connection shall be covered until inspected and approved by the Utility.

It is specifically understood and agreed that all installation costs, for said installation, shall be paid for by the Developer.

In the event of change in the drawings or plat of the subdivision by agreement of the parties, prior to the actual installation of the facilities provided for in the plans and specifications, then such change shall be deemed incorporated in this contract, as though set out verbatim herein, and a copy of said changed plans shall be attached to this contract and made a part hereof. It is further understood that such changed plans, if any, may be looked to for a total description of the properties conveyed to the Utility by the Developer.

In addition to the costs of the installation herein provided for, the Developer hereby agrees to pay to the Utility upon execution of this contract ten percent of the estimated cost of said construction, being \$_____, which is to cover the Utility's inspection, overhead, administrative, legal and other service costs.

The Developer further agrees:

(1) That the Developer will immediately repair at its own cost and expenses all breaks, leaks or defects of any type-whatsoever arising from any cause whatsoever occurring within one (1) year from the date said lines, mains, valves, fittings, etc. are accepted by the Utility; and that upon failure of the Developer to take immediate steps to make such repairs the Utility is authorized to make such repairs or to have such repairs made at the cost and expense of the Developer.

(2) That the Developer will include in the sales contract with the purchaser of each lot the requirement to pay to the Utility an annual fee of \$84.00 per sewer tap to defray the costs of testing and reporting to the state as the subdivision is built out. The Developer or lot owner will pay an annual fee of \$84.00 per sewer tap for each lot owned that is not attached to the sewer. The above sewer access fee will be payable each year by December 15th for owners of record as of December 1st. When each lot owner attaches to the sewer tap and signs up for service, they will pay a prorated access fee for that year and thereafter the fee will not be charged.

(3) That the obligations of the developer hereunder are in addition to and not in lieu of the obligations of the Developer to pay all rates, charges, and fees and satisfy all obligations set forth in the Utility's Schedule of Rates, Charges, and Fees in effect at the date such obligations arise.

Service connections for all service sewers to the property line of each lot in said subdivision shall be installed by the Developer as a part of the construction contract. Watertight tanks and service connection lines may be installed by builder or Developer at their respective expense.

The Utility retains exclusive right to extend these sewers at any time it sees fit.

Upon the completion of the installations contracted for herein, the Developer hereby represents and warrants that same shall be paid for in full and that no liens or encumbrances shall remain for the installation of said work.

By the execution of this agreement, the developer hereby represents and warrants that said sewerage system will be installed in accordance with the foregoing provisions and the plans and specifications above mentioned, and that written easements will be provided

five feet (5') in width on each side of the center line of all sewers installed hereunder other than sewers along the public right-of-way.

It is agreed that the Utility shall have exclusive title and ownership of all of said sewers in the subdivision and the Developer hereby conveys to the Utility, free and clear of all encumbrances all of said equipment and installations dealt with herein without the necessity of any further contract, or deed. The Developer shall, upon request of the Utility, execute and deliver a Deed of Conveyance of all said property, suitably acknowledged for registration.

IN WITNESS WHEREOF, the parties hereto have entered into this agreement as of the day and date first above written.

By: _____

President, Onsite Systems, Inc.

By: _____

ON-SITE SYSTEMS, INC.
A PUBLIC UTILITY CO.

June 6, 2001

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Petition of On-Site Systems, Inc. to amend its Certificate of
Convenience and Necessity – Browning Subdivision

Dear Mr. Waddell:

Based on service areas of this type, we estimate that our costs will be as follows:

Research, coordination and communication with potential providers and the TRA	8 hrs.@ \$60.00 per hour
Preparation, copying and filing of documents	4 hrs.@ \$45.00 per hour

TOTAL ESTIMATED COSTS: \$660.00

Sincerely,



Charles Pickney, Jr., President
On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-7294 Fax (615) 356-7295